STATE REVENUES

WESTERN REGION

Finance and Taxation Program
The Council of State Governments

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FOREWORD

The Council of State Governments is pleased to issue a report on state revenues as part of its Comparative Data Report series. This series is designed to deliver information to legislators and other government officials in a timely and succinct manner in order to enhance the decision making process at the state level.

The data contained in this report includes the most recent information available on tax revenues and rates, state and local tax collections, state revenues and expenditures, and the five-year trend in state and local revenues for the period 1977 through 1981. It is presented in both a narrative and tabular format with special regional maps which graphically illustrate the information.

This document was prepared by the staff of the Council's Finance and Taxation Program with the cooperation and assistance of state and federal agencies. The role of the U.S. Bureau of the Census, along with state revenue officials, was particularly noteworthy, and very much appreciated.

Frank H. Bailey
Executive Director
Council of State Governments

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IN THE WESTERN REGION

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COMPARATIVE DATA REPORT ON REVENUES
IN THE WESTERN REGION

Introduction

This report examines state and local revenues in the western region states listed below from 1977 through 1982, in order to provide information for decision-making. With over 42 states taking action in the past two years to increase taxes or reduce spending by cutting the budget or reducing the size of the state work force, forecasting the level of revenue is critical. The information in this report is based primarily on various publications of the Department of Commerce. Per capita figures and revenues per $1,000 of personal income are detailed in selected categories. Populations and personal incomes vary substantially in the western states --California leads with 23.7 million people and $288.5 billion in personal income. Alaska has the lowest population of 400,000 and the lowest total personal income of $5.7 billion, although the per capita income is highest at $13,763.

States	Population 4/80 (thousands)	Personal Income in CY 1981 Amount (millions of dollars)	Per Capita (dollars)
California	23,668	288,481	11,923
Washington	4,132	47,557	11,277
Colorado	2,890	33,256	11,215
Arizona	2,718	27,256	9,754
Oregon	2,633	26,526	10,008
Utah	1,461	12,619	8,313
New Mexico	1,303	11,324	8,529
Hawaii	965	10,823	11,036
Idaho	944	8,574	8,937
Nevada	800	9,782	11,576
Montana	787	7,458	9,410
Wyoming	470	5,738	11,665
Alaska	402	5,667	13,763

Tax Revenues and Rates in 1982

Some states have increased sales taxes, cigarette taxes, or motor fuel taxes in recent years. Since 1980, three of the western states increased the general sales tax, three have increased the cigarette tax, and eight have increased the motor fuel tax.

The tax percentage rate on sales and gross receipts in the west has remained relatively stable. Since 1974, only three states have raised this rate. In 1981, Nevada raised the rate to 5.75 percent and New Mexico raised the rate to 3.5 percent. In 1982, the Washington rate became 5.4 percent. Three states --Alaska, Montana, and Oregon-- did not impose these taxes as of September 1, 1982.

Cigarette taxes were raised in three states since 1978. In 1982, Washington raised the rate to 23 cents per package, the highest rate in the west. Oregon has the second highest rate of 19 cents per package which became effective in 1982. Utah also changed its rate to 12 cents per package in 1982. In Hawaii, the rate has been set at 40 percent of the wholesale price since 1965. As prices increase, this mechanism generates automatic revenue increases without the necessity of considering tax increases each year.

Motor fuel taxes were changed in 1981 and 1982 by eight states --Arizona, Colorado, Idaho, Nevada, New Mexico, Oregon, Utah, and Washington. Five states --Alaska, California, Hawaii, Montana, and Wyoming-- have not raised any of these rates since 1979.

Percent changes from 1981 to 1982 in state government tax revenues range from a decrease of 3.5 percent in Oregon, where individual and corporate income tax revenues and severance tax revenues declined,

TABLE 1. STATE GOVERNMENT EXCISES ON GENERAL SALES, MOTOR FUEL, AND CIGARETTES AS OF SEPTEMBER 1, 1982

States	General Sales and Gross Receipts		Cigarette Taxes		Motor Fuel Taxes	
	Percentage Rate	Date of Change	Cents Per Package	Date of Change	Cents Per Gallon	Date of Change
Alaska	NA	NA	8	7-01-61	8	7-01-61
Arizona*	4	7-01-74	13	7-01-74	10	7-01-82
California*	4.75	3-31-74	10	9-01-67	7	9-01-69
Colorado*	3	6-01-65	10	7-01-78	9	7-02-81
Hawaii	4	7-01-65	**	7-01-65	8.5	5-01-75
Idaho	3	7-01-65	9.1	7-01-72	12.5	4-01-82
Montana	NA	NA	12	3-05-71	9	7-01-79
Nevada	5.75	5-01-81	10	7-01-69	10.25	7-01-82
New Mexico*	3.5	7-01-81	12	7-01-68	10	7-01-82
Oregon	NA	NA	19	6-01-82	8	1-01-82
Utah*	4	4-01-69	12	7-01-82	11	7-01-81
Washington	5.4	5-01-82	23	8-01-82	12	1-01-82
Wyoming*	3	7-01-67	8	7-01-67	8	3-01-76

NA - Not applicable.
* - State authorizes state collection of combined state and local sales taxes in those jurisdictions which impose supplemental local sales taxes under state enabling legislation.
** - Rate is 40 percent of wholesale price.

to an increase of 62.6 percent in Wyoming where the mineral excise severance tax increased on January 1, 1981, and the collection cycle was changed from annual to quarterly in 1982. Improved collection and cash management practices have increased funds available for expenditure in some states. Nevada raised various tax rates in 1981, including the general sales and gross receipts tax which went from 3 to 5.75 percent. The county-city relief tax also became a state tax effective May 1, 1981.

States	State Government Tax Revenue					
	1982	1981	1980	Percent Change		Per Capita
	(millions of dollars)			1981/82	1980/81	1982 Dollars
Alaska	2,539	2,317	1,438	9.6	61.2	6,316.40
Arizona	1,856	1,786	1,716	3.9	4.1	682.86
California	21,819	20,505	19,367	6.4	5.9	921.86
Colorado	1,690	1,446	1,491	16.9	-3.0	584.79
Hawaii	1,066	1,088	998	-2.0	9.0	1,104.90
Idaho	579	537	490	7.8	9.5	612.94
Montana	529	467	436	13.4	7.1	672.36
Nevada	745	515	477	44.7	8.1	931.83
New Mexico	1,228	1,179	926	4.1	27.3	942.29
Oregon	1,552	1,608	1,455	-3.5	10.5	589.56
Utah	951	849	786	12.0	8.1	650.83
Washington	3,528	3,126	2,917	12.9	7.1	853.91
Wyoming	763	469	388	62.6	20.9	1,622.41

Four other states --Colorado, Montana, Utah, and Washington-- experienced increases in excess of 10 percent from 1981 to 1982. These increases appear in widespread revenue categories except in Montana where over $31 million is from an increase in the oil production severance tax rate effective April 1, 1981.

The largest source of state government tax revenue in 1982 was the sales and gross receipts tax in the majority of the western states. However, three states derive their highest revenues from severance taxes. Alaska depends on severance taxes for 61.89 percent

BEST SOURCE OF STATE GOVERNMENT TAX REVENUES IN 1982
WESTERN STATES

(Millions of Dollars)

BEST TAX SOURCE
AS A PERCENT OF
STATE TAX REVENUE

85.53% - NEVADA
72.16% - WASHINGTON
67.20% - HAWAII
62.38% - OREGON
61.89% - ALASKA
56.90% - NEW MEXICO
55.86% - ARIZONA
53.98% - UTAH
51.68% - COLORADO
51.06% - WYOMING
44.33% - CALIFORNIA
41.40% - IDAHO
28.23% - MONTANA

TABLE 2. STATE GOVERNMENT TAX REVENUE BY TYPE OF TAX IN 1982
WESTERN STATES
(Thousands of Dollars)

States	Total	Sales and Gross Receipts	Licenses	Individual Income	Corporation Net Income	Property	Death and Gift	Severance	Documentary and Stock Transfer	Other
Alaska	2,539,193	65,216	54,217	1,488	703,663	142,719	335	1,571,553	NA	2
Arizona	1,856,009	1,036,711	123,698	438,985	114,759	129,897	11,959	NA	NA	NA
California	21,818,694	9,672,042	837,026	7,467,709	2,643,946	708,395	461,665	27,911	NA	NA
Colorado	1,690,034	873,367	105,900	548,944	91,400	4,967	12,979	49,184	NA	3,293
Hawaii	1,066,225	716,535	16,929	283,000	43,202	NA	5,106	NA	1,453	NA
Idaho	578,613	239,573	67,160	220,073	45,602	207	3,481	2,517	NA	NA
Montana	529,144	102,803	46,155	143,804	44,630	33,980	7,680	149,361	NA	731
Nevada	745,460	637,592	84,173	NA	NA	23,695	NA	NA	NA	NA
New Mexico	1,227,798	698,678	60,804	15,518	60,265	11,029	3,702	377,802	NA	NA
Oregon	1,552,313	190,943	175,237	968,264	124,171	147	42,216	50,480	855	NA
Utah	950,869	513,248	38,531	331,145	40,894	242	4,514	22,295	NA	NA
Washington	3,528,362	2,546,054	198,870	NA	NA	615,966	56,191	46,123	65,158	NA
Wyoming	762,533	280,310	54,502	NA	NA	36,047	2,313	389,361	NA	NA

NA - Not applicable.

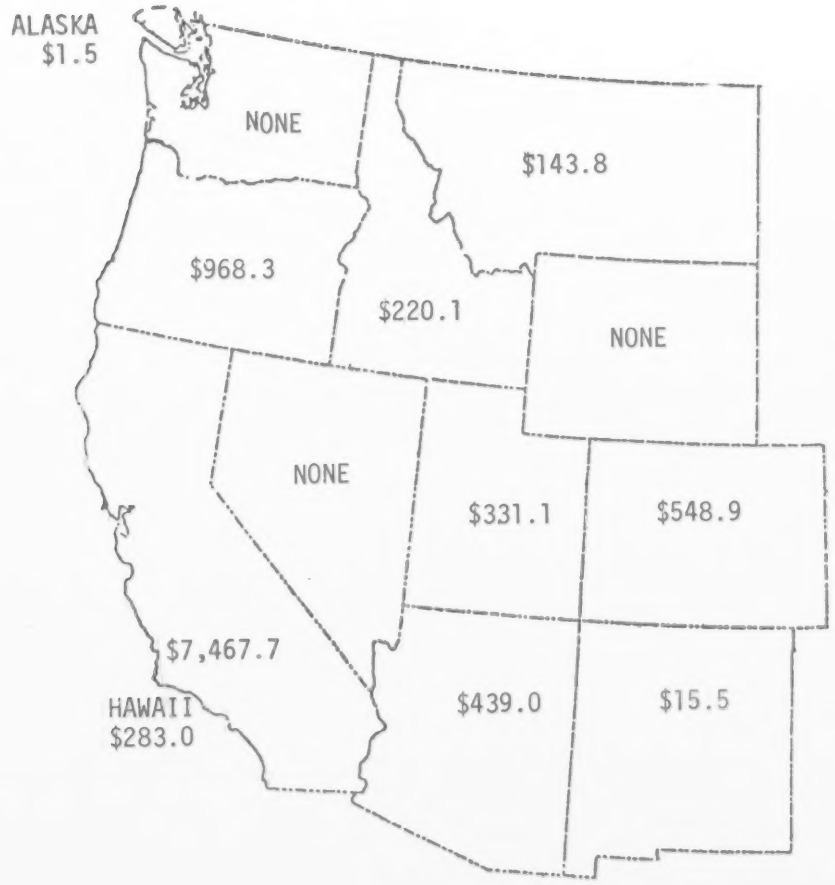
TABLE 3. PERCENT OF STATE GOVERNMENT TAX REVENUE BY TYPE OF TAX IN 1982
WESTERN STATES

States	Sales and Gross Receipts	Licenses	Individual Income	Corporation Net Income	Property	Death and Gift	Severance	Documentary and Stock Transfer	Other
Alaska	2.57%	2.14%	.06%	27.71%	5.62%	.01%	61.89%	NA	*
Arizona	55.86%	6.66%	23.65%	6.18%	7.00%	.64%	NA	NA	NA
California	44.33%	3.84%	34.23%	12.12%	3.25%	2.12%	.13%	NA	NA
Colorado	51.68%	6.27%	32.48%	5.41%	.29%	.77%	2.91%	NA	.19%
Hawaii	67.20%	1.59%	26.54%	4.05%	NA	.48%	NA	.14%	NA
Idaho	41.40%	11.61%	38.03%	7.88%	.04%	.60%	.44%	NA	NA
Montana	19.43%	8.72%	27.18%	8.43%	6.42%	1.45%	28.23%	NA	.14%
Nevada	85.53%	11.29%	NA	NA	3.18%	NA	NA	NA	NA
New Mexico	56.90%	4.95%	1.26%	4.91%	.90%	.30%	30.77%	NA	NA
Oregon	12.30%	11.29%	62.38%	8.00%	.01%	2.72%	3.25%	.06%	NA
Utah	53.98%	4.05%	34.83%	4.30%	.03%	.47%	2.34%	NA	NA
Washington	72.16%	5.64%	NA	NA	17.46%	1.59%	1.31%	1.85%	NA
Wyoming	36.76%	7.15%	NA	NA	4.73%	.30%	51.06%	NA	NA

NA - Not applicable.
* - Less than .01 percent.

STATE GOVERNMENT INDIVIDUAL INCOME TAX REVENUES IN 1982
WESTERN STATES

(Millions of Dollars)



INCOME TAX
AS A PERCENT OF
STATE TAX REVENUE

62.38% - OREGON
38.03% - IDAHO
34.83% - UTAH
34.23% - CALIFORNIA
32.48% - COLORADO
27.18% - MONTANA
26.54% - HAWAII
23.65% - ARIZONA
1.26% - NEW MEXICO
.06% - ALASKA

of state tax revenue. Wyoming receives 51.06 percent from severance taxes and Montana receives 28.23 percent of state government tax revenue from severance taxes.

Only in Oregon is the individual income tax the largest source of state government tax revenue bringing in 62.38 percent of the total. Oregon does not have a sales and gross receipts tax and collected the second lowest per capita state government tax revenue of $589.56 in 1982.

Two states depend on the sales tax for over 60 percent of the state government tax revenue. Nevada depends heavily on the sales tax, with 85.53 percent of state revenue from this one source. Hawaii derives 67.20 percent of state revenue from the sales tax.

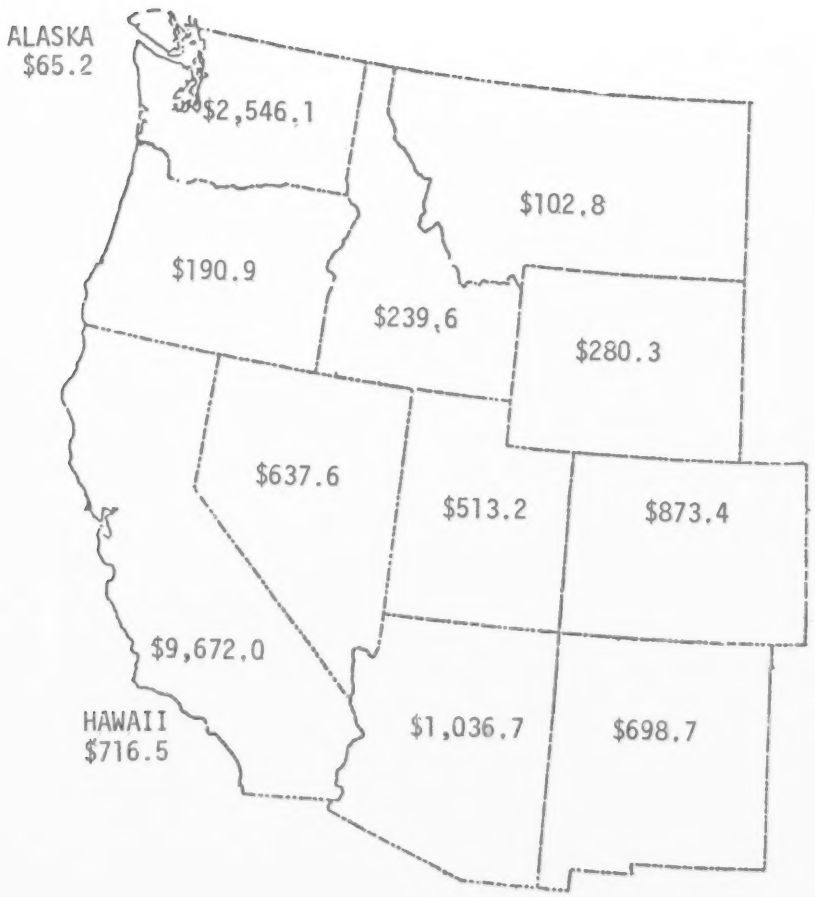
Except in Oregon, the individual income tax revenue is under 40 percent of state government tax revenue ranging from 38.03 percent in Idaho to .06 percent in Alaska. Three states --Nevada, Washington, and Wyoming-- had no individual income tax in 1982.

All of the western states collected sales taxes on motor fuels, alcoholic beverages, tobacco products, insurance, and public utilities in 1982 except Wyoming, where there was no public utility tax revenue. Of these selected sales taxes, motor fuels generated the greatest revenue. In nine of the western states, insurance was the next best source, while Arizona and Oregon found tobacco to be the second best source. The second best source in Washington and the best source in Hawaii was the public utility sales tax.

Corporation net income tax revenues were a small part of the total in 1982, accounting for 4 to 13 percent of state tax revenue except in Alaska, where corporation net income tax revenues generated

STATE GOVERNMENT SALES TAX REVENUES IN 1982
WESTERN STATES

(Millions of Dollars)



SALES TAX
AS A PERCENT OF
STATE TAX REVENUE

85.53% - NEVADA
72.16% - WASHINGTON
67.20% - HAWAII
56.90% - NEW MEXICO
55.86% - ARIZONA
53.98% - UTAH
51.68% - COLORADO
44.33% - CALIFORNIA
41.40% - IDAHO
36.76% - WYOMING
19.43% - MONTANA
12.30% - OREGON
2.57% - ALASKA

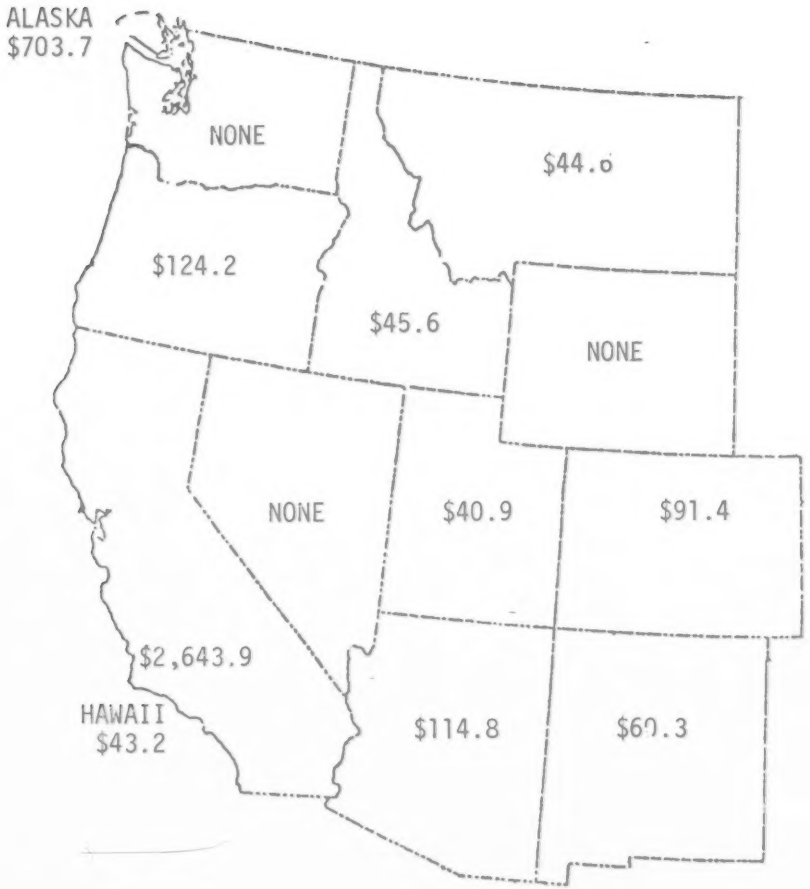
TABLE 4. SELECTED STATE GOVERNMENT SALES AND GROSS RECEIPTS TAXES IN 1982
WESTERN STATES
(Thousands of Dollars)

States	General Sales	Motor Fuels	Alcoholic Beverages	Tobacco Products	Insurance	Public Utilities
Alaska	NA	31,096	8,978	4,908	13,504	1,233
Arizona	800,921	122,343	23,341	40,766	22,000	16,463
California	7,720,805	835,281	140,597	278,317	483,860	30,967
Colorado	612,900	138,802	25,337	37,159	46,660	2,301
Hawaii	576,927	33,196	7,701	14,011	27,713	56,987
Idaho	146,206	56,805	8,164	8,240	16,915	1,753
Montana	NA	49,416	14,844	11,752	20,318	5,839
Nevada	375,973	55,704	11,776	13,525	14,869	1,852
New Mexico	533,809	86,791	15,912	14,650	21,716	4,521
Oregon	NA	91,303	10,836	47,078	34,261	2,163
Utah	387,624	83,615	8,161	11,139	20,226	2,483
Washington	1,892,066	261,403	98,666	94,254	47,182	145,657
Wyoming	228,018	38,405	2,155	5,809	5,901	NA

NA - Not applicable.

STATE GOVERNMENT CORPORATION NET INCOME TAX REVENUES IN 1982
WESTERN STATES

(Millions of Dollars)



CORPORATION NET TAX
AS A PERCENT OF
STATE TAX REVENUE

27.71% - ALASKA
12.12% - CALIFORNIA
8.43% - MONTANA
8.00% - OREGON
7.88% - IDAHO
6.18% - ARIZONA
5.41% - COLORADO
4.91% - NEW MEXICO
4.30% - UTAH
4.05% - HAWAII

27.71 percent of state tax revenue. California received the second highest percentage from this source at 12.12 percent while Hawaii had the lowest percentage at 4.05 percent. Nevada, Washington, and Wyoming have no corporation net income tax.

All of the states collect motor vehicle and hunting and fishing license tax revenue. The largest source of license tax revenue is from motor vehicles. The second largest source of revenue is from hunting and fishing licenses except in Hawaii, where public utility licenses are in second place. All of the western states except Hawaii collect motor vehicle operators licenses and alcoholic beverage taxes. All of the states except Utah collect license taxes from corporations in general. Five states --Alaska, Arizona, Colorado, Nevada, and Utah-- do not have public utility license fees. License tax revenues generate between 1 to 12 percent of state tax revenue. Hawaii receives the lowest amount and percent at 1.59 percent. The highest percent of 11.61 is in Idaho.

Severance tax revenues comprise over 25 percent of state tax revenue in four of the western states. Alaska collects 61.89 percent on production privilege, oil and gas, coal tonnage, and forestry products. Wyoming collects 51.06 percent on mineral excise, coal, and oil and gas conservation. New Mexico collects 30.77 percent on oil and gas severance, oil and gas privilege tax, oil and gas ad valorem production, natural gas processors tax, oil and gas conservation tax, and other severance taxes on copper, potash, uranium, and carbon dioxide. Montana collects 28.23 percent from coal production, oil production, resource indemnity, natural gas, metal mines tax and miscellaneous.

STATE GOVERNMENT LICENSE TAX REVENUES IN 1982
WESTERN STATES

(Millions of Dollars)

LICENSE TAX
AS A PERCENT OF
STATE TAX REVENUE

11.61% - IDAHO
11.29% - NEVADA
11.29% - OREGON
8.72% - MONTANA
7.15% - WYOMING
6.66% - ARIZONA
6.27% - COLORADO
5.64% - WASHINGTON
4.95% - NEW MEXICO
4.05% - UTAH
3.84% - CALIFORNIA
2.14% - ALASKA
1.59% - HAWAII

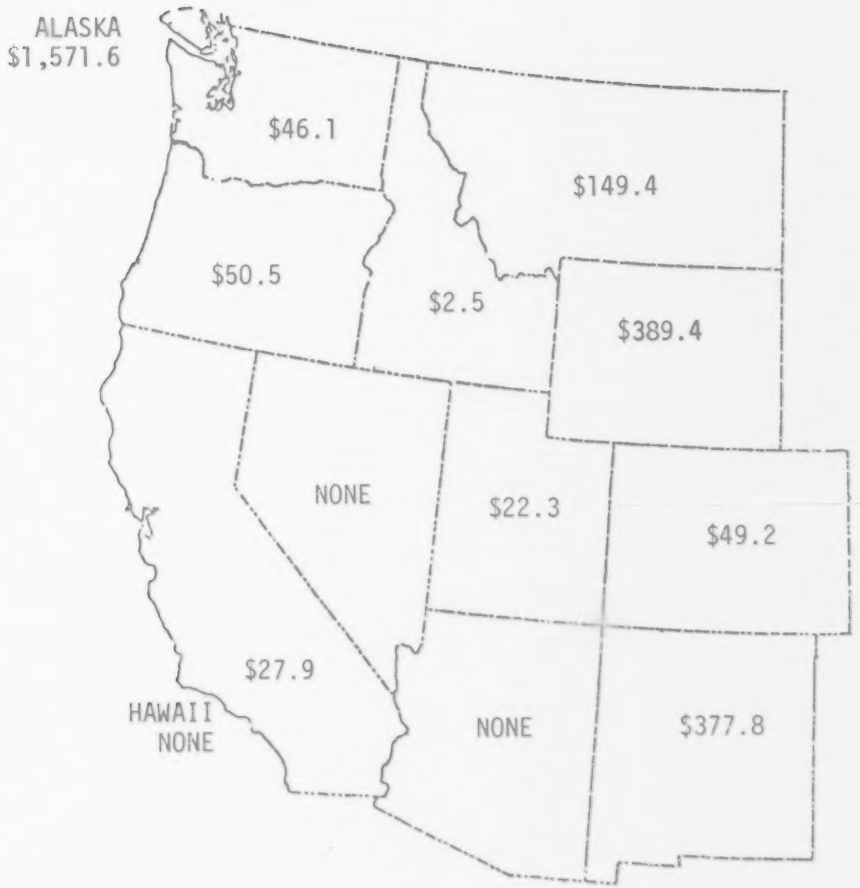
TABLE 5. SELECTED STATE GOVERNMENT LICENSE TAX REVENUE IN 1982
WESTERN STATES
(Thousands of Dollars)

States	Motor Vehicle	Motor Vehicle Operators	Corporations in General	Public Utilities	Alcoholic Beverages	Hunting and Fishing
Alaska	13,294	397	1,055	NA	1,548	8,236
Arizona	89,594	4,243	2,709	NA	1,370	6,118
California	575,969	35,303	5,646	10,789	27,169	38,531
Colorado	53,799	5,543	3,329	NA	2,197	23,193
Hawaii	8,456	NA	783	1,736	NA	134
Idaho	39,626	1,783	306	23	727	10,033
Montana	23,532	1,377	468	934	1,465	11,617
Nevada	30,644	2,139	2,503	NA	23	2,931
New Mexico	39,165	1,614	5,160	55	851	6,470
Oregon	103,736	8,129	3,130	4,218	1,413	16,719
Utah	21,041	1,977	NA	NA	229	9,320
Washington	97,600	16,736	5,995	6,422	6,629	19,789
Wyoming	37,749	296	1,792	1,214	7	12,101

NA - Not applicable.

STATE GOVERNMENT SEVERANCE TAX REVENUES IN 1982
WESTERN STATES

(Millions of Dollars)



SEVERANCE TAX
AS A PERCENT OF
STATE TAX REVENUE

61.89% - ALASKA
51.06% - WYOMING
30.77% - NEW MEXICO
28.23% - MONTANA
3.25% - OREGON
2.91% - COLORADO
2.34% - UTAH
1.31% - WASHINGTON
.44% - IDAHO
.13% - CALIFORNIA

State and Local Tax Collections in 1981

Responsibility for taxation and expenditure is divided differently between state and local governments in different western states. Revenue collection at the state level is between 47 and 60 percent, except in Alaska, where the state collects 88.44 percent, Hawaii, where the state collects 81.15 percent, and New Mexico, where the state collects 80.93 percent.

States	1981 General Revenue in Million $			State %
	Local	State	Total	of Total
Alaska	584.1	4,471.8	5,055.9	88.44
Arizona	1,605.0	2,196.2	3,801.3	57.77
California	16,448.8	24,001.8	40,450.6	59.33
Colorado	2,260.5	2,049.2	4,309.7	47.54
Hawaii	334.4	1,440.5	1,774.9	81.15
Idaho	408.5	683.0	1,091.5	62.57
Montana	554.3	672.0	1,226.3	54.79
Nevada	691.5	627.3	1,318.8	47.56
New Mexico	470.3	1,996.8	2,467.1	80.93
Oregon	2,005.0	2,395.4	4,400.3	54.43
Utah	738.2	1,139.4	1,877.6	60.68
Washington	2,500.7	3,709.5	6,210.3	59.73
Wyoming	661.6	715.1	1,376.7	51.94

Some sales taxes are collected locally in the western states which have sales taxes, except in Hawaii and Idaho, where all collections are at the state level only. In Alaska, collections are at the local level only. Property taxes are primarily local although every state except Hawaii collects a small amount at the state level. Any income taxes imposed are collected exclusively by the state. Three states --Nevada, Washington, and Wyoming-- did not impose any income taxes in 1981.

From 8 to 36 percent of state government general revenue is from federal funds. In 1981, Alaska received 8.1 percent in federal

TABLE 6. REVENUE OF STATE AND LOCAL GOVERNMENTS IN 1981
WESTERN STATES
(Millions of Dollars)

States	General Sales Taxes		Property Taxes		Income Taxes	
	Local	State	Local	State	Local	State
Alaska	44.9	...	199.9	143.2	...	902.0
Arizona	169.6	805.7	733.0	124.1	...	490.6
California	1,558.9	7,262.5	6,498.4	727.9	...	9,320.3
Colorado	369.2	529.9	1,040.4	4.5	...	541.1
Hawaii	...	548.9	197.1	...	...	387.5
Idaho	...	145.0	218.3	.3	...	236.4
Montana	...	...	390.3	23.5	...	198.9
Nevada	31.9	203.1	234.0	23.2	...	...
New Mexico	35.7	515.7	183.1	10.0	...	124.5
Oregon	...	...	1,182.9	.1	...	1,160.6
Utah	77.5	349.5	373.1	.1	...	335.6
Washington	166.1	1,716.3	716.6	526.6	...	...
Wyoming	37.2	197.1	287.2	26.0	...	...

TABLE 7. STATE GOVERNMENT GENERAL REVENUE BY SOURCE IN 1981
WESTERN STATES
(Thousands of Dollars)

States	Total Dollars	Federal Revenue Dollars	%	Local Govt. Dollars	%	State Taxes Dollars	%	Charges & Misc. Dollars	%
Alaska	4,867,003	393,984	8.1	1,214	...	2,316,823	47.6	2,154,982	44.3
Arizona	2,775,904	558,857	20.1	20,841	0.8	1,785,775	64.3	410,431	14.8
California	32,623,137	8,411,908	25.8	209,424	0.6	20,504,787	62.9	3,497,018	10.7
Colorado	2,903,689	843,797	29.1	10,700	0.4	1,445,777	49.8	603,415	20.8
Hawaii	1,831,113	385,099	21.0	5,523	0.3	1,088,330	59.4	352,161	19.2
Idaho	988,798	303,818	30.7	1,945	0.2	536,681	54.3	146,354	14.8
Montana	1,053,479	376,222	35.7	5,290	0.5	465,010	44.1	206,957	19.6
Nevada	889,033	257,355	28.9	4,361	0.5	515,303	58.0	112,014	12.6
New Mexico	2,476,915	465,151	18.8	15,007	0.6	1,179,280	47.6	817,477	33.0
Oregon	3,338,763	919,509	27.5	23,882	0.7	1,608,423	48.2	786,949	23.6
Utah	1,679,844	531,275	31.6	9,144	0.5	849,148	50.5	290,277	17.3
Washington	5,347,649	1,541,071	28.8	97,057	1.8	3,125,815	58.5	583,706	10.9
Wyoming	1,010,127	293,494	29.1	1,555	0.2	469,058	46.4	246,020	24.4

revenue and Montana received 35.7 percent. The other states received from 20 to 32 percent, except in New Mexico, where 18.8 percent was received.

Local government contributions to state general revenue were under one percent except in Washington, which received 1.8 percent from local governments. Alaska was the only state with no state general revenue from local governments.

State taxes generated between 44 to 65 percent of state government general revenue. Arizona received 64.3 percent or $1.8 billion from state taxes. At the lowest end was Montana, which received 44.1 percent or $465 million from state taxes.

The remaining 10 to 24 percent of state government general revenue was from charges and miscellaneous with two exceptions. In Alaska over 44 percent was in this category and in New Mexico 33 percent was from charges and miscellaneous.

Revenues and Expenditures in 1981

Alaska's per capita collection of $11,128 in 1981 in state government revenue was the highest among the western states. However, a large amount of this was actually severance tax collections. The second highest amount was in New Mexico --$1,532. Of this, $510 was paid in sales and gross receipts taxes, $54 was paid in individual income taxes, $41 was paid in corporation net income taxes, $27 in motor vehicle taxes, $8 in property taxes, and $627 in charges and miscellaneous, a portion of which was severance taxes not paid by the individual. At the state level only, New Mexico received $115.40 in taxes and $45.52 from the federal

TABLE 8. PER CAPITA AMOUNTS OF FINANCIAL ITEMS FOR STATE GOVERNMENTS IN 1981
WESTERN STATES

States	General Revenue Own Source	Sales and Gross Receipts		Individual Income		Corporation Net Income		Motor Vehicle Taxes		Property		Death and Gift		Charges and Misc.	
	$	$	%	$	%	$	%	$	%	$	%	$	%	$	%
Alaska	11,128	133	1%	18	*	2,227	20%	27	*	356	3%	1	*	5,363	48%
Arizona	808	391	48%	134	17%	47	6%	24	3%	46	6%	4	*	151	19%
California	1,014	389	38%	278	27%	115	11%	19	2%	31	3%	22	2%	148	15%
Colorado	709	260	37%	151	21%	36	5%	18	3%	2	*	3	*	209	29%
Hawaii	1,493	703	47%	347	23%	55	4%	9	*	...	...	5	*	365	24%
Idaho	724	243	34%	197	27%	54	7%	39	5%	**	*	5	*	155	21%
Montana	854	121	14%	186	22%	67	8%	28	3%	30	4%	8	*	263	31%
Nevada	784	532	68%	...	...	...	...	31	*	29	*	...	...	140	18%
New Mexico	1,532	510	33%	54	4%	41	3%	27	2%	8	*	2	*	627	41%
Oregon	910	71	8%	382	42%	59	6%	40	4%	**	*	13	1%	299	33%
Utah	780	315	40%	202	26%	28	4%	13	2%	**	*	1	*	199	26%
Washington	898	560	62%	...	...	...	...	20	2%	127	14%	13	1%	141	16%
Wyoming	1,523	533	35%	...	...	...	...	72	5%	55	4%	6	*	524	34%
United States	829	322	39%	181	22%	62	7%	23	3%	13	2%	9	1%	166	20%

Note: Total includes items not listed separately.
* - Less than 1 percent. ** - Less than 1 dollar.

TABLE 9. STATE GENERAL REVENUE PER $1,000 OF PERSONAL INCOME IN 1981
WESTERN STATES

States	Grand Total*	Revenue from Federal Government	Total Taxes*	Sales or Gross Receipts Taxes	Individual Income Taxes	Charges and Miscellaneous
Alaska	$947.63	$76.71	$451.09	...	$1.40	$419.58
Arizona	$115.90	$23.33	$74.56	$33.64	$15.20	$17.14
California	$125.69	$32.41	$79.00	$27.98	$25.39	$13.47
Colorado	$100.03	$29.07	$49.80	$18.25	$15.08	$20.79
Hawaii	$187.33	$39.40	$111.34	$56.15	$34.25	$36.03
Idaho	$129.66	$39.84	$70.38	$19.01	$24.33	$19.19
Montana	$156.49	$55.89	$69.07	...	$21.69	$30.74
Nevada	$103.41	$29.94	$59.94	$23.63	...	$13.03
New Mexico	$242.38	$45.52	$115.40	$50.46	$6.94	$80.00
Oregon	$135.79	$37.40	$65.42	...	$40.88	$32.01
Utah	$119.95	$47.42	$75.80	$31.20	$26.33	$25.91
Washington	$125.31	$36.11	$73.24	$40.21	...	$13.68
Wyoming	$196.07	$56.97	$91.04	$38.26	...	$47.75
50-State Average	$119.78	$31.49	$69.48	$21.53	$18.97	$17.46

* - Includes amounts for categories not shown separately.

TABLE 10. STATE GENERAL EXPENDITURE PER $1,000 OF PERSONAL INCOME IN 1981
WESTERN STATES

States	Grand Total*	Total Education*	Intergovernmental Education	State Institutions of Higher Education	Public Welfare	Highways
Alaska	$471.95	$130.50	$56.84	$40.23	$30.50	$41.20
Arizona	$118.62	$56.97	$32.25	$22.14	$7.52	$15.06
California	$113.02	$51.73	$35.25	$14.27	$36.55	$6.23
Colorado	$102.69	$47.27	$23.85	$21.58	$17.24	$12.00
Hawaii	$173.95	$61.59	...	$23.18	$28.18	$10.00
Idaho	$131.24	$56.80	$33.52	$20.73	$15.11	$18.42
Montana	$138.00	$45.73	$26.44	$16.25	$17.36	$28.69
Nevada	$107.82	$44.70	$29.56	$13.59	$11.58	$18.13
New Mexico	$189.48	$86.89	$48.46	$33.73	$18.80	$22.08
Oregon	$129.91	$43.68	$24.49	$16.97	$19.81	$17.08
Utah	$151.36	$72.20	$37,82	$31.55	$20.50	$19.80
Washington	$136.71	$62.95	$33.45	$22.42	$22.23	$15.53
Wyoming	$167.93	$49.73	$30.42	$17.22	$9.35	$34.99
50-State Average	$117.69	$44.97	$26.57	$14.61	$23.88	$11.80

* - Includes amounts for categories not shown separately.

government per $1,000 of personal income earned in the state.

New Mexico's state general expenditure per $1,000 of personal income was $189.48, of which $86.89 went for education, $18.80 for public welfare, and $22.08 for highways.

A Colorado resident paid $709, the lowest per capita payment for state government tax collections in 1981. Of this, $260 was for sales and gross receipts taxes, $151 for individual income taxes, $36 for corporation net income taxes, $18 for motor vehicle taxes, $2 for property taxes, and $209 for charges and miscellaneous. At the state level only, Colorado received $49.80 in taxes and $29.07 from the federal government per $1,000 of personal income earned in the state.

Colorado's state general expenditure per $1,000 of personal income was $102.69, of which $47.27 went for education, $17.24 for public welfare, and $12.00 for highways. Tables 8, 9, and 10 present this data for all of the states in the western region.

From 1980 to 1981, revenues from sales and gross receipts taxes increased from .1 percent in Montana to 23.8 percent in New Mexico. In Alaska they declined by 2 percent and in Colorado by .9 percent. Both own source general revenue and federal funds increased in all the western states from 1980 to 1981, except in Oregon, which experienced a .8 percent decrease in federal funds. Individual income tax revenues increased, except in Alaska, where the decline was 92.9 percent, and in Colorado, with a 5.1 percent decrease. Corporation net income taxes increased except in Colorado and Oregon from 1980 to 1981.

TABLE 11. PERCENT CHANGE IN FINANCIAL ITEMS FOR STATE GOVERNMENTS FROM 1980 To 1981
WESTERN STATES

States	Total General Revenue	Federal Funds	Own Source General Revenue	Sales and Gross Receipts	Individual Income	Corporation Net Income	Motor Vehicle Licenses	Charges and Misc.
Alaska	61.6%	4.1%	70.0%	-2.0%	-92.9%	58.3%	-0.7%	80.6%
Arizona	8.2%	3.3%	9.3%	0.6%	26.7%	7.4%	13.1%	26.6%
California	10.2%	18.8%	7.4%	7.1%	1.9%	8.9%	7.7%	17.4%
Colorado	4.0%	9.9%	1.9%	-0.9%	-5.1%	-6.5%	6.9%	16.1%
Hawaii	11.9%	4.5%	14.0%	10.4%	7.5%	4.9%	-0.1%	33.0%
Idaho	7.8%	7.8%	7.9%	2.6%	16.6%	19.4%	3.4%	2.8%
Montana	11.4%	3.3%	16.8%	0.1%	8.2%	16.0%	4.8%	48.5%
Nevada	7.2%	10.2%	6.7%	8.7%	...	...	7.2%	0.7%
New Mexico	24.8%	10.3%	29.2%	23.8%	51.4%	15.7%	2.0%	31.9%
Oregon	8.4%	-0.8%	12.6%	8.6%	15.8%	-12.4%	2.5%	17.3%
Utah	7.8%	6.9%	8.3%	5.9%	11.2%	0.7%	6.6%	9.1%
Washington	10.7%	33.7%	3.2%	6.4%	...	...	6.8%	-13.7%
Wyoming	26.0%	20.5%	28.7%	16.3%	...	...	8.4%	46.7%
United States	10.5%	9.7%	10.7%	7.2%	10.3%	6.2%	6.7%	16.9%

Five Year Trends from 1977 through 1981

Tax revenues of state and local government from 1977 through 1981 increased when measured by total tax collections per capita. The United States average increased by 32.71 percent from $813 in 1977 to $1,079 in 1981. Alaska had the greatest percent change of 178.61 from $2,296 to $6,397 in per capita tax collections. California had a percent change of 15.70 from $1,089 to $1,260, the lowest per capita change from 1977 through 1981. New Mexico had the lowest per capita tax collection of $625 in 1977. In 1981, the lowest collection had risen to $808 and was in Idaho. Alaska collected the highest per capita tax in both 1977 and 1981.

General sales tax, income tax, and property tax also increased from 1977 through 1981, except in Alaska and California, where the property tax declined. Wyoming's sales tax revenues changed by an increase of 123.78 percent between 1977 and 1981. During this period, Idaho showed the lowest sales tax revenue increase of 39.55 percent. Amounts collected in 1981 ranged from a low of $44 million in Alaska to a high of $8.8 billion in California.

Increased income tax revenues from 1977 through 1981 ranged from 28.98 percent in Colorado to 266.51 percent in Alaska. In dollars, New Mexico collected the lowest of $124.5 million while California collected the highest of $9.3 billion.

Property tax revenues showed a wide range of change from 1977 through 1981. The change in Alaska was a decline of 36.02 percent with collections of $343.1 million in 1981. The change at the high level was in Wyoming with a 91.79 percent increase and collections of $313.2 million in 1981.

TABLE 12. TOTAL STATE AND LOCAL TAX COLLECTIONS PER CAPITA
WESTERN STATES

States	1977	1978	1979	1980	1981
Alaska	$2,296	$1,871	$2,546	$4,189	$6,397
Arizona	$827	$907	$1,004	$1,007	$1,012
California	$1,089	$1,227	$1,058	$1,172	$1,260
Colorado	$824	$882	$972	$990	$1,024
Hawaii	$974	$1,059	$1,194	$1,278	$1,393
Idaho	$639	$701	$767	$754	$808
Montana	$766	$817	$900	$1,000	$1,101
Nevada	$892	$1,004	$1,126	$972	$1,102
New Mexico	$625	$763	$830	$879	$1,100
Oregon	$793	$872	$956	$979	$1,106
Utah	$652	$728	$805	$840	$912
Washington	$821	$929	$992	$989	$1,037
Wyoming	$988	$1,156	$1,291	$1,399	$1,704
United States Average	$813	$888	$933	$986	$1,079

TABLE 13. GENERAL SALES TAX REVENUES OF STATE AND LOCAL GOVERNMENT
WESTERN STATES
(Millions of Dollars)

States	1977	1978	1979	1980	1981
Alaska	31.4	34.8	35.9	38.8	44.9
Arizona	606.3	693.8	844.3	976.9	975.3
California	5,243.6	6,020.5	6,899.4	8,166.5	8,821.4
Colorado	563.9	663.6	797.1	873.6	899.0
Hawaii	341.0	367.3	430.5	498.3	548.9
Idaho	103.9	118.9	129.9	137.1	145.0
Montana	...	...	...	...	...
Nevada	134.4	166.2	204.1	211.8	235.0
New Mexico	267.0	342.4	388.1	431.3	551.4
Oregon	...	...	...	...	...
Utah	266.9	314.3	355.0	395.5	427.0
Washington	1,284.9	1,511.9	1,674.6	1,784.7	1,882.4
Wyoming	104.7	132.5	164.4	191.6	234.3

TABLE 14. INCOME TAX REVENUES OF STATE AND LOCAL GOVERNMENT
WESTERN STATES
(Millions of Dollars)

States	1977	1978	1979	1980	1981
Alaska	246.1	179.3	373.0	665.8	902.0
Arizona	242.4	286.7	359.6	405.3	490.6
California	5,262.5	6,708.8	7,132.8	8,970.9	9,320.3
Colorado	419.5	461.5	569.4	571.9	541.1
Hawaii	230.6	256.2	304.4	361.7	387.5
Idaho	143.5	171.4	182.6	201.7	236.4
Montana	136.8	152.9	177.7	180.6	198.9
Nevada	...	...	...	...	...
New Mexico	56.1	83.6	109.1	93.1	124.5
Oregon	653.0	811.7	973.0	1,045.4	1,160.6
Utah	183.1	218.3	258.8	305.7	335.6
Washington	...	...	...	...	...
Wyoming	...	...	...	...	...

TABLE 15. PROPERTY TAX REVENUES OF STATE AND LOCAL GOVERNMENT
WESTERN STATES
(Millions of Dollars)

States	1977	1978	1979	1980	1981
Alaska	536.3	325.5	335.4	360.0	343.1
Arizona	727.9	801.7	865.0	956.0	857.1
California	10,025.1	11,011.4	6,043.5	6,477.5	7,226.3
Colorado	822.8	841.5	904.7	951.6	1,044.9
Hawaii	149.2	155.4	174.3	186.2	197.1
Idaho	175.4	188.6	221.6	213.8	218.5
Montana	275.4	308.6	320.9	358.3	413.8
Nevada	180.8	207.9	249.1	204.5	257.2
New Mexico	135.0	149.1	162.6	184.8	193.1
Oregon	838.8	885.6	923.6	1,006.1	1,183.0
Utah	241.7	268.6	315.1	342.8	373.2
Washington	934.5	1,081.0	1,209.5	1,199.5	1,243.2
Wyoming	163.3	197.5	230.9	259.8	313.2

TABLE 16. TOTAL STATE AND LOCAL TAX COLLECTIONS PER $1,000 OF PERSONAL INCOME
WESTERN STATES

States	1977	1978	1979	1980	1981
Alaska	$234.82	$174.89	$234.14	$367.83	$500.20
Arizona	$144.15	$142.81	$141.71	$132.68	$114.86
California	$154.93	$157.99	$120.63	$121.68	$114.92
Colorado	$129.72	$125.55	$124.51	$113.08	$101.97
Hawaii	$140.70	$140.25	$146.41	$147.54	$137.51
Idaho	$116.98	$120.01	$112.81	$103.92	$100.08
Montana	$136.04	$137.58	$133.53	$130.26	$128.68
Nevada	$129.30	$130.99	$126.94	$105.17	$102.63
New Mexico	$119.55	$132.64	$129.19	$121.82	$140.20
Oregon	$129.25	$128.44	$122.11	$114.07	$118.48
Utah	$125.87	$126.65	$128.18	$124.70	$118.89
Washington	$122.27	$127.34	$121.44	$108.75	$100.45
Wyoming	$154.76	$159.46	$158.86	$147.61	$155.28
United States	$128.05	$127.53	$120.29	$115.74	$113.05

TABLE 17. TOTAL GENERAL REVENUE INCLUDING FEDERAL FUNDS
WESTERN STATES
(Millions of Dollars)

States	1977	1978	1979	1980	1981
Alaska	1,518.1	1,532.1	2,012.5	3,567.2	5,521.0
Arizona	2,896.6	3,327.7	3,901.2	4,365.9	4,657.2
California	36,321.7	41,559.9	39,502.4	46,012.3	51,561.3
Colorado	3,631.2	4,021.3	4,596.4	5,066.1	5,361.4
Hawaii	1,573.3	1,673.9	1,833.9	2,049.1	2,253.6
Idaho	982.1	1,121.5	1,254.9	1,351.6	1,460.0
Montana	1,076.2	1,223.6	1,305.2	1,500.8	1,669.4
Nevada	946.5	1,145.4	1,310.1	1,449.2	1,618.7
New Mexico	1,560.1	1,878.6	2,517.0	2,514.3	3,068.0
Oregon	3,489.4	4,012.9	4,514.7	5,113.1	5,651.9
Utah	1,511.1	1,756.7	1,959.2	2,284.5	2,489.6
Washington	5,376.1	5,918.9	6,893.8	7,426.6	8,114.3
Wyoming	753.9	903.8	1,073.8	1,277.5	1,712.7
United States	285,796.5	315,960.0	343,278.4	382,321.6	423,403.7

TABLE 18. TOTAL GENERAL REVENUE FROM OWN SOURCES
WESTERN STATES
(Millions of Dollars)

States	1977	1978	1979	1980	1981
Alaska	1,206.2	1,186.1	1,662.2	3,136.3	5,055.9
Arizona	2,372.9	2,668.5	3,186.1	3,558.9	3,801.3
California	28,898.4	33,248.1	31,286.1	36,576.6	40,450.6
Colorado	2,863.7	3,161.7	3,696.8	4,065.5	4,309.7
Hawaii	1,114.5	1,195.8	1,376.0	1,572.3	1,774.9
Idaho	711.7	832.4	949.4	1,015.7	1,091.5
Montana	765.8	857.7	943.8	1,066.9	1,226.3
Nevada	771.5	898.2	1,072.1	1,147.1	1,318.8
New Mexico	1,132.8	1,369.6	1,611.3	1,960.1	2,467.1
Oregon	2,598.3	2,959.0	3,424.2	3,845.4	4,400.3
Utah	1,095.3	1,290.1	1,482.2	1,703.5	1,877.6
Washington	4,102.2	4,733.1	5,374.3	5,903.8	6,210.3
Wyoming	556.1	678.3	832.1	1,001.7	1,376.7
United States	223,221.3	246,367.6	268,114.6	299,293.0	333,109.3

Total state and local tax collections per $1,000 of personal income declined in the United States by 11.71 percent from an average of $128.05 in 1977 to $113.05 in 1981. Three of the western states showed an increase in total state and local taxes from 1977 through 1981. In Alaska the change was from $234.82 to $500.20. In New Mexico the change was from $119.55 to $140.20. In Wyoming the change was from $154.76 to $155.28. It should be noted that the best source of revenue in these states was the severance tax. Idaho had the lowest collections of $116.98 in 1977 and $100.08 in 1981. Alaska had the highest collections of $234.82 in 1977 and $500.20 in 1981.

	Property Taxes		General Sales Taxes		Income Taxes	
States	1981 $ in Millions	% Change 1977/1981	1981 $ in Millions	% Change 1977/1981	1981 $ in Millions	% Change 1977/1981
Alaska	343.1	-36.02	44.9	42.99	902.0	266.51
Arizona	857.1	17.74	975.3	60.86	490.6	102.39
California	7,226.3	-27.91	8,821.4	68.23	9,320.3	77.10
Colorado	1,044.9	26.99	899.0	59.42	541.1	28.98
Hawaii	197.1	32.10	548.9	60.96	387.5	68.03
Idaho	218.5	24.57	145.0	39.55	236.4	64.73
Montana	413.8	50.25	...	...	198.4	45.39
Nevada	257.2	42.25	235.0	74.85	...	...
New Mexico	193.1	43.03	551.4	106.51	124.5	121.92
Oregon	1,183.0	41.03	...	...	1,160.6	77.73
Utah	373.2	54.40	427.0	59.98	335.6	83.28
Washington	1,243.3	33.03	1,882.4	46.50	...	...
Wyoming	313.2	91.79	234.3	123.78	..	...

Conclusion

While revenues have increased from 1977 through 1982, the increases have not kept pace with inflation and the greater need for social services brought about by the recession. Deciding on the balance between increases in taxation and decreases in expenditures for education, public welfare, and highways is difficult.

In 1981, the highest state and local revenues were derived from various sources in the western region states. Property taxes generated the highest revenues in Colorado, Montana, Nevada, Oregon, and Wyoming. General sales taxes generated the highest revenues in Arizona, Hawaii, New Mexico, Utah, and Washington. Income taxes generated the highest revenues in Alaska, California, and Idaho.

In 1982, at the state level only, the highest revenues came from sales taxes, except in Alaska, New Mexico, and Wyoming, where the severance tax generated the highest revenues, and in Oregon, where the income tax led.

Six states had an increase in state government tax revenue of over 10 percent from 1981 to 1982. Wyoming's state government tax revenue increased by 62.6 percent; the mineral excise severance tax increased on January 1, 1981, and the collection cycle changed from annual to quarterly in 1982. Nevada's revenue increased by 44.7 percent due to raises in various tax rates and conversion of the county-city relief tax to a state tax. Colorado, Montana, Utah, and Washington had revenue increases between 12 and 16 percent in widespread revenue categories, except in Montana, where over $31 million is from an increase in the oil production severance tax.

Dependency on sales taxes as a major revenue source has meant increases in tax rates on sales and gross receipts, cigarettes, and motor fuels. As long as consumer spending does not decline, these increases will generate higher revenues.

Adding to the complexity of the problem is the need to estimate federal funding, which may be a quarter of state revenue. In

addition, in most of the states, about half of the general revenue is collected and spent at the local level.

Changes in collection policies and improved cash management have provided some relief in conjunction with raising taxes, cutting budgets, and reducing the size of the state work force.

- This report was prepared by Cheryl Peck, a research associate with The Council of State Governments.

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